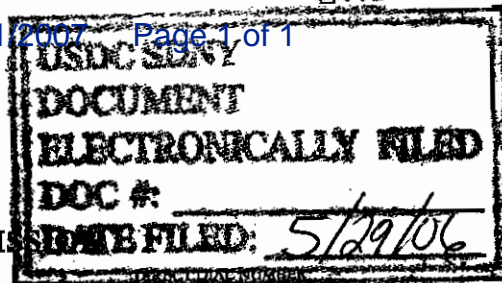




UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
NEW YORK REGIONAL OFFICE
3 WORLD FINANCIAL CENTER
NEW YORK, N.Y. 10281



(212) 336-0024

MEMO ENDORSED

May 29, 2007

VIA FAX (212)805-7949

The Honorable P. Kevin Castel
United States Courthouse
500 Pearl Street, Room 2260
New York, New York 10007

Re: SEC v. Empire Development Group, et al. 07 cv 3896 (PKC) (S.D.N.Y.)

Dear Judge Castel:

Plaintiff Securities and Exchange Commission (the "Commission") is writing to seek additional relief in connection with the filing of opposition papers in the above-referenced matter. The Order to Show Cause entered by the Court on May 18, 2007 required the defendants to serve opposing papers by May 24, 2007 at 5:00 p.m. None of the defendants filed papers before the deadline, nor did any defendant seek an extension of time to submit a response. On Friday May 25, 2007, Commission attorney Meaghan Cheung asked Mr. O'Brien's associates whether the defendants had served responsive papers or were intending to do so. Ms. Cheung was advised that responsive papers would not be filed. Mr. O'Brien had previously agreed that if he served opposing papers, he would send them to Ms. Cheung via email. Mr. O'Brien did not send papers to Ms. Cheung. Instead, after the close of business on Friday May 25, 2007, Mr. O'Brien faxed opposition papers on behalf of Empire Development Group, LLC (EDG) to the Commission's office. None of the other defendants have served opposition papers.

Therefore, the Commission respectfully requests that the Court strike defendant EDG's opposition because it was untimely. In the alternative, the Commission requests an extension of the May 30 deadline to submit reply papers.

Respectfully submitted,

Doria G. Stetch
Doria G. Stetch

ORDER OF MAY 29 IS
VACATED. IN VIEW OF
HEARING ON JUNE 4 AT 10:30 AM,
REPLY PAPERS ARE DUE
JUNE 1 AT 4:30 P.M. (NEXT
TIME PLEASE EITHER BOTH
MENTION DATE OF HEARING
OR THE PRECISE LENGTH OF
REQUESTED ADJOURNMENT)
SO ORDERED
5-30-07

cc: Liam O'Brien, Esq. (via email)
Michael Ayngorn
Felix Straton
Castle Hill Ventures, LLC
Empire Development Group Fund I

MEMO ENDORSED

